



NEWS RELEASE

Arizona House of Representatives

Representative Jeff Weninger (R-17)

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FOR IMMEDIATE RELEASE

Rep. Jeff Weninger Introduces Legislation Backed by AG Brnovich to Advance AZ's Fintech Sector

STATE CAPITOL, PHOENIX – Representative Jeff Weninger (R-17) yesterday introduced [**HB 2434**](#), legislation that will reduce barriers for fintech entrepreneurs to utilize emerging technologies through the establishment of a regulatory sandbox environment. These emerging technologies include blockchain, digital wealth management, payment processors, and a host of other sectors.

A “regulatory sandbox” is a program that allows a person to temporarily test innovative financial products or services on a limited basis without being licensed or authorized to act under the laws of the state of Arizona. This sandbox environment, administered by Arizona Attorney General Mark Brnovich, will help early-stage entrepreneurs who do not have access to the legal and financial resources necessary to navigate the traditional regulatory process.

“As a lawmaker and business owner, I’ve always advocated for pro-economic growth policies aimed at getting government out of the way of Arizona entrepreneurs,” said Representative Weninger. **“For years, young fintech companies have been weighed down by state and federal regulations. It can take years of work and millions of dollars in compliance costs and legal fees for entrepreneurs to successfully maneuver 50 different licensing and regulatory schemes so they can operate lawfully across the United States.”**

“I’m excited to be working with Rep. Weninger and the legislature to introduce legislation that will reduce an entrepreneur’s barrier to entry without sacrificing fundamental consumer safeguards,” Brnovich said. “My top priority is to protect consumers, but that shouldn’t just be a backward looking venture. We also need to be proactive and recognize that consumers benefit from innovation. The best protection for a consumer may be a low-cost product yet to be invented.”

[Last September](#), Arizona Attorney General Mark Brnovich called for Arizona to be the first state in the nation to adopt this “regulatory sandbox” environment to allow to reduce barriers-to-entry for fintech companies.

This legislation would build on Representative Weninger’s legislation last year ([HB 2417](#)) that was enacted into law, which paved the way for blockchain signatures to become a recognized form of signature.

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CONTACT:

Matthew Specht
Director of Communications
House Majority Staff
602-926-5518
mspecht@azleg.gov